

## Rule Text

**SECTION 1.** DFI-CU 72.02 is repealed and recreated to read:

**DFI-CU 72.02. Member business loan.** (1) “Member business loan” means a loan, line of credit, letter of credit including unfunded commitments, and any interest a credit union obtains in such loans made by another lender to individuals, sole proprietorships, partnerships, corporations or other business enterprises for commercial, industrial, agricultural or professional purposes.

(2) “Member business loan” does not include any of the following:

- (a) Loans for personal expenditure purposes.
- (b) Loans made by a corporate credit union.
- (c) Loans made by a federally insured credit union to another federally insured credit union.
- (d) Loans made by a credit union to a credit union service organization.
- (e) Loans secured by a one- to four-family residential property.
- (f) Loans fully secured by shares in the credit union making the extension of credit or deposits in other financial institutions.
- (g) Loans secured by a vehicle manufactured for household use, except that such loans will be considered member business loans if they will be used for a purpose set forth in sub. (1) and the outstanding aggregate net member business loan balance is \$50,000 or greater.
- (h) Business purpose loans that are equal to or less than \$50,000 after calculating the aggregate outstanding balances plus unfunded commitments less any portion secured by shares in the credit union held by the borrower or an associated borrower.
- (i) Loans for which a federal or state agency fully insures repayment, fully guarantees repayment, or provides an advance commitment to purchase the loan in full.
- (j) Any non-member business purpose loan or non-member participation interest in a business purpose loan made by another lender, provided the credit union acquired the loan or interest in compliance with all relevant laws and regulations and the credit union is not, in conjunction with another credit union, trading member business loans to circumvent the aggregate limit.